



# HEXAGON TRANSPORTATION CONSULTANTS, INC.

## Memorandum

**Date:** December 2, 2020

**To:** Mr. Guido Persicone, City of Los Altos

**From:** Gary Black, Michelle Hunt

**Subject:** Senate Bill 743: CEQA Transportation Analysis using Vehicle Miles Traveled

Senate Bill (SB) 743 is a landmark bill that changes how transportation impacts are to be analyzed under the California Environmental Quality Act (CEQA). The purpose of this memorandum is to provide an overview of the changes under SB 743, which require that all local agencies begin using Vehicle Miles Traveled as a metric to assess a project's transportation impact. This memorandum also presents the recommended VMT policy framework for the City of Los Altos and answers frequently asked questions from several recent study sessions with the Complete Streets Commission, the Planning Commission, and City Council.

## Background

In 2013, Senate Bill 743 was signed by Governor Brown. SB 743 directed the State Office of Planning and Research (OPR) to develop new California Environmental Quality Act (CEQA) guidelines and to replace Level of Service (LOS) as the evaluation measure for transportation impacts under CEQA with another measure such as Vehicle Miles Traveled (VMT).

**FAQ #1: What is LOS?** *Level of Service (LOS) is a qualitative measure of transportation performance at a specific location that is based on traffic congestion and the ability to maneuver. For signalized intersections, LOS is measured by the average delay experienced by motorists during peak hour traffic. LOS is measured using a grading scale from LOS A, which represents free flow conditions with minimal delay to LOS F, where the vehicle demand exceeds roadway capacity and excessive delays are the result.*

**FAQ #2: What is VMT?** *Vehicle Miles Traveled (VMT) measures the amount of daily vehicle trip making and trip length across the entire system and is usually expressed per person.*

Rather than treating traffic congestion faced by drivers as an environmental impact, this new metric instead considers distance traveled by vehicles as the environmental impact. A reduction in VMT would promote state and local goals related to the reduction of greenhouse gas emissions, the development of multimodal transportation networks, and a diversity of land uses and infill development that reduces the reliance on individual vehicles.

It should be noted that SB 743 does not preclude cities from retaining General Plan policies related to LOS. Furthermore, cities may continue to require transportation analyses of a project's consistency with the adopted LOS goals and/or other operational issues related to transportation. While the mitigation measures identified in the project's CEQA document will be based on VMT and not LOS, cities may require transportation improvements intended to address LOS deficiencies

through project conditions of approval. While the previous CEQA process required a city to prepare and circulate an EIR and adopt a statement of overriding considerations if a project would result in a significant unavoidable impact related to level of service, under the new guidelines, the City may grant an exception to the adopted level of service standards at its discretion.

## Pertinent Plans and Policies

The new CEQA guidelines serve to implement two key state goals:

- Ensure that environmental impacts of traffic (e.g. noise, air pollution, safety) are properly addressed and mitigated, and
- Promote public health and the reduction in greenhouse gases.

The City of Los Altos' *Climate Action Plan*, adopted in 2013, sets forth a greenhouse gas emissions reduction goal of 15 percent below 2005 levels by 2020. In order to achieve the emissions reduction goal, the Plan calls for an 8 percent reduction in vehicle miles traveled with additional emissions reductions from other sources. More recently, the California Air Resources Board adopted an updated SB 375 emissions target for the San Francisco Bay Area of 19 percent below 2005 levels by 2035. The City's VMT Policy would lead to a reduction in VMT and thereby reduce vehicle emissions.

## VMT Policy Framework for Land Use Development Projects

In December 2018, after a five-year process of extensive stakeholder input, the California Natural Resources Agency certified and adopted the CEQA Guidelines update package, including the Guidelines section implementing Senate Bill 743. The guidelines potentially make it easier for developers to build residential, commercial, and mixed-use infill projects that improve air quality by reducing the number of miles driven by automobiles, based on the land use and transportation characteristics of the project. The Governor's Office of Planning and Research (OPR) has also developed a Technical Advisory on Evaluating Transportation Impacts in CEQA, which contains OPR's high-level recommendations on the analysis methodology, significance thresholds, and mitigation measures for three types of land use projects: residential, office, and retail projects.

The Cities of Pasadena, San Francisco, Oakland, San Jose, and Los Angeles were the first to implement VMT analysis procedures in compliance with the CEQA Guidelines. While each agency's approach is individually tailored, they all generally followed the OPR recommended framework. Note that state guidance from the OPR gives wide discretion to lead agencies in implementing SB 743 to establish new thresholds of significance and screening criteria in terms of VMT for development projects.

This memorandum presents the VMT policy framework recommended for Los Altos including an analysis of policy options based on State guidance and practices employed by other jurisdictions. The VMT policy framework includes the following basic components:

- Screening criteria
- Analysis methodology
- Mitigation

## Screening Criteria

OPR's technical advisory recommends that various types of developments such as small infill developments, projects in low VMT areas, local-serving retail and public facilities, and/or projects near major transit corridors may be presumed to have a less than significant impact on VMT. Screening criteria may be based on location, project size, or land use.

**FAQ #3: What does it mean to be “screened out”?** *A development project may be “screened out” if its location, type, size, density, and other attributes support a presumption that, if analyzed, the project’s impact under VMT would be less than significant. Thus, a screened project would not be required to conduct a detailed VMT analysis to quantify the project’s VMT and would not need to implement trip reduction measures or multimodal improvements to mitigate a significant impact on VMT. Projects that do not meet the screening criteria adopted by the City are “screened in” and must complete a detailed analysis of VMT produced by the project.*

### Location-Based Screening

Location-based screening usually involves a map-based tool outlining areas within the City that are known to generate less VMT per capita than the relevant significance thresholds. In support of implementing SB 743 and in its capacity as the Congestion Management Agency in Santa Clara County, The Santa Clara Valley Transportation Authority (VTA) has developed VMT estimates for residential and employment land uses within Santa Clara County by traffic analysis zone (TAZ) and by parcel using the recently recalibrated VTA Travel Demand Model, which is based on land use data from ABAG Projections 2017 series for the baseline Year 2015. Hexagon has used the VTA data to produce the attached heat maps that compare the VMT per resident and VMT per job for all parcels in Los Altos to the citywide average (See Figures 1 and 2). Parcels shown in green have a VMT below the recommended VMT threshold of 15 percent below the citywide average. Developments in low VMT areas that are currently below the adopted VMT threshold can be screened out from preparing a detailed VMT analysis. Most cities have implemented this type of location-based screening for projects in low VMT areas that are below the CEQA significance threshold. As shown on Figure 1, residential developments adjacent to El Camino Real and a few other locations could be screened out and exempted from further VMT analysis. As shown on Figure 2, no employment developments would be screened out based on low VMT since the employment VMT per job for all parcels exceeds the recommended CEQA impact threshold.

**FAQ #4: What is the mechanism for how VMT is being calculated in the heat maps?** *The heat maps show the 2015 baseline VMT data produced using the recently recalibrated VTA Travel Demand Model using 2015 land use data from ABAG’s Projections 2017. The Model covers the 9-County Bay Area plus Monterey, Santa Cruz, San Benito, and San Joaquin Counties, but with greater detail in Santa Clara and San Mateo Counties.*

**FAQ #5: Is the model based on Google driving data and how often can it be updated?** *The VTA Travel Demand Model is not based on Google driving data but rather was developed using land use and demographic data prepared by the Association of Bay Area Governments (ABAG) with input from local jurisdictions. In addition, journey to work data were obtained from the United States Census Bureau’s American Community Survey (ACS). The Caltrans Household Travel Survey (CHTS) provides observed data for non-work trips. The model is calibrated to match actual traffic counts. Furthermore, the VTA Model was developed based on a database of regional transit trips developed by MTC from household and transit on-board surveys and ridership data provided by VTA, Caltrain, and other transit providers serving Santa Clara County. The VTA Travel Demand Model is updated in*

*response to new releases of ABAG land use data and new Census data typically every three to five years.*

**FAQ #6: What are the attributes of the different colored areas shown on the VMT heat map that make them different? Why are some low and some high?** *The differences in VMT per capita and per job shown on the heat maps reflect differences in the mode split (the share of trips conducted by single-occupant vehicles versus alternative modes) and differences in vehicle trip lengths. VMT per capita and per job is higher in locations that have a higher percentage of trips conducted by single-occupant vehicles and lower in locations that are well served by transit and other non-auto transportation options. Furthermore, locations that exhibit higher development densities with a mix of complementary land uses in close proximity tend to have shorter trip lengths than other locations that are less dense and farther from downtown centers or other major job centers.*

As recommended by OPR, some cities such as Oakland also allow projects located within ½ mile of an existing major transit stop or an existing stop along a high-quality transit corridor to be presumed to have a less than significant impact on VMT.

To qualify as a “major transit stop” or a “high-quality transit corridor”, there has to be transit service headways of no longer than 15 minutes. The only transit service in the City of Los Altos that qualifies under this definition are Express Route 522 and Local Route 22, which both provide bus service along El Camino Real. Prior to the reduction in transit service implemented in response to the COVID-19 pandemic, Express Route 522 had 10 to 15-minute headways during peak commute periods while Local Route 22 had 15 to 20-minute headways during peak commute periods. The VMT heat maps (Figures 1 and 2) also show the area within ½ mile of the high-quality transit corridor on El Camino Real. As shown on Figure 1, all of the parcels directly adjacent to El Camino Real and most of the parcels within ½ mile of El Camino Real have a residential VMT per capita that is below the recommended CEQA impact threshold. Thus, there is no compelling reason to add another screening criterion for residential uses based on the proximity to transit. As shown on Figure 2, the parcels within ½ mile of El Camino Real have an employment VMT per job that is below the citywide average VMT but not below the recommended CEQA impact threshold. Adoption of a screening criterion based on proximity to transit is not recommended for employment uses in order to encourage all employment projects to implement trip reduction measures, such as subsidized transit passes, to reduce VMT.

### **Small Infill Projects**

Size-based screening establishes policies that allows certain small projects the presumption of a less-than-significant VMT impact, which would streamline the transportation review of small infill projects. CEQA Guidelines, § 15301, subd. (e)(2) provides a categorical exemption for existing facilities, including additions to existing structures of up to 10,000 square feet, so long as the project is in an area where public infrastructure is available to allow for maximum planned development and the project is not in an environmentally sensitive area. Office uses typically generate approximately 110 daily vehicle trips per 10,000 square feet. Thus, it is recommended that Los Altos follow OPR’s technical advisory and presume that infill projects generating fewer than 110 daily trips cause a less-than-significant transportation impact. Based on this screening criterion, the following developments would be “screened out” and not require a VMT analysis:

- Residential: 10 single family detached dwelling units, or 20 multifamily dwelling units
- Office: 10,000 square feet gross floor area

- Industrial: 20,000 square feet gross floor area
- Congregate Care/Assisted Living: 40 beds

**FAQ #7: For the 110 daily trips, are we looking at the net increase or the total?**

Where a project replaces existing VMT-generating land uses, if the replacement leads to a net overall decrease in VMT, the project would lead to a less-than-significant transportation impact. If the project leads to a net overall increase in VMT, then the screening criteria for small infill projects would apply based on gross trips with no trip reductions for existing or previous uses on the project site.

**FAQ #8: How do we account for the cumulative impact of lots of small developments?**

Metrics such as VMT per capita or VMT per employee, i.e., metrics framed in terms of efficiency, cannot be summed because they employ a denominator. A project that falls below an efficiency-based threshold that is aligned with long-term environmental goals and relevant plans would have no cumulative impact distinct from the project impact. Accordingly, a finding of a less-than-significant project impact would imply a less than significant cumulative impact, and vice versa. To account for the cumulative impact of lots of small developments, it is recommended that the City continue to conduct traffic operational analysis to assess the combined effects of all projects (past, current, and probable future projects of all sizes) on intersection levels of service. Alternatively, the City could commission a citywide transportation study or update the Transportation Impact Fee Nexus Study to provide a comprehensive evaluation of cumulative traffic conditions and identify a comprehensive list of transportation improvements needed to serve all modes of travel. Inclusion of multimodal improvements in the fee program would allow projects to take credit for their fair share of the estimated reduction in VMT anticipated as a result of their TIF-funded projects.

### **Local-Serving Retail**

OPR's technical advisory recommends local-serving retail be presumed to have a less than significant VMT impact. The underlying assumption is that local-serving retail will improve retail destination proximity, and thus shorten trips and reduce VMT. OPR suggests that retail development including stores smaller than 50,000 square feet could be considered local serving. In response to questions from the City Council, a review of retail uses in Los Altos found that there are local-serving grocery stores that exceed the suggested 50,000 s.f. screening threshold (see Table 1). Furthermore, although the total floor area of the Rancho Shopping Center exceeds 50,000 s.f., it is comprised of many small local-serving businesses the largest of which (Safeway Community Markets) is under 30,000 s.f. There are currently no true regional retail uses in Los Altos. In recognition of this effect, it is recommended that the City of Los Altos assume retail projects comprised of stores of up to 60,000 gross square feet be presumed to cause a less-than-significant transportation impact.

**Table 1**  
**Example Retail Developments in Los Altos**

Use (Location)	Approximate Gross	
	Floor Area	Retail Type
Rancho Shopping Center/Safeway (Foothill Expwy)	74,000/26,000 s.f.	Local-Serving
Whole Foods (El Camino Real)	55,000 s.f.	Local-Serving
Lucky Supermarket (Grant Rd)	49,000 s.f.	Local-Serving
Walgreens (2nd St)	15,000 s.f.	Local-Serving



### **Local-Serving Public Facilities**

Local-serving public facilities either produce very low VMT or divert existing trips from established facilities to new facilities without measurably increasing trips outside of the area. For these reasons, it is recommended that local-serving public facilities (publicly owned or controlled), excluding private schools, high schools, and middle schools, be presumed to have a less than significant VMT impact. Examples of these projects include:

- Branch Library
- Community or Senior Center
- Fire Station
- Public Elementary School

**FAQ #9: Should we include schools when the City does not have jurisdiction over public schools?** *The local school district is the lead agency responsible for public school projects in the District. As the lead agency, the District may determine the VMT analysis methodology and significant thresholds to be used for public schools. However, in practice, school districts often apply the same methodology and significance thresholds adopted by the surrounding local jurisdiction. Thus, it is recommended that the City of Los Altos VMT policy clearly spell out which school projects should be screened out and how schools that are not screened out should be evaluated.*

**FAQ #10: Why should we treat public schools as retail?** *Public elementary schools serve students within a defined attendance boundary. Thus, they are similar to local-serving retail uses in that they divert existing trips from established facilities to new facilities without measurably increasing trips outside the area.*

### **Affordable Housing**

Evidence suggests that affordable housing typically generates less VMT than market-rate housing when located on infill sites. Thus, OPR states that 100 percent affordable residential developments may be presumed to have a less than significant impact on VMT. As with other OPR recommendations, cities may develop their own affordable housing screening criteria, including proportion of affordable units, based on local circumstances and evidence. For example, the City of San Jose screens out projects with 100% affordable housing units built in Planned Growth Areas at a minimum density level that supports transit and located within ½ mile of high-quality transit. Hexagon recommends that Los Altos screen out 100% affordable housing projects. The City could further define the level of affordability and other conditions required to qualify for this screening criterion.

### **Analysis Methodology for Residential, Office and Retail Projects**

OPR's technical advisory recommends utilizing a travel demand forecast model to estimate project generated VMT for land use projects. As noted above, VTA has worked with cities to calculate existing baseline VMT data for residential and employment land uses (see Table 2). VTA has also created a VMT Evaluation Tool using the baseline VMT data from the travel demand forecast model. The VMT Evaluation Tool calculates project VMT based on the project description, location, and other attributes (e.g. multimodal network improvements, parking, TDM measures). The tool was officially launched for public use on May 22, 2020. The VMT analysis for most projects will be conducted using the VMT Evaluation Tool. However, projects that are very large, include unusual land uses, or shift travel patterns may require running the VTA travel demand forecast model to evaluate the project generated VMT.

For residential and office projects, OPR's technical advisory recommends lead agencies use an efficiency metric (reduction per capita or employee) to define thresholds of significance for residential and employment land use projects. OPR suggests a significance threshold that is 15 percent below the local or regional average VMT level. Hexagon recommends the City of Los Altos adopt a significance threshold 15 percent below the existing (2015) citywide average home-based VMT per capita for residential developments and 15 percent below the existing (2015) citywide average home-based work trip VMT per employee for office developments.

**Table 2**  
**Average Existing (2015) Residential and Employment VMT by Area**

Area	2015	2015
	Average Residential Daily VMT per Capita (mi)	Average Employment Daily VMT per Job (mi)
9-County Region	13.95	15.33
Santa Clara County	13.33	16.64
Los Altos	12.22	19.07

**FAQ #11: Why should we pick the citywide average as the baseline? Why not the countywide or regional?** The Los Altos citywide average residential VMT per capita is lower than the countywide average and the 9-County regional average. Thus, adopting a CEQA impact threshold at 15 percent below the citywide average is a more stringent criterion than an impact threshold that is 15 percent below the Countywide or 9-County average residential VMT. For purposes of discussion, Hexagon prepared VMT heat maps showing the existing baseline residential VMT relative to the countywide and 9-County regional average VMT (see Figures 3 and 4, respectively). These maps show more parcels would be considered low VMT areas (shown in green) that would be exempted from further CEQA VMT analysis. The recommended threshold based on the citywide average VMT would require more residential developments to conduct a detailed VMT analysis and implement trip reduction measures to reduce VMT.

The Los Altos citywide average employment VMT per capita is substantially greater than the countywide average and the 9-County regional average. VMT heat maps showing the existing baseline employment VMT relative to the countywide and 9-County regional average VMT (see Figures 5 and 6, respectively) show that using these more stringent baseline values would result in proposed new employment uses in most areas being found to cause a significant unavoidable impact on VMT, thereby requiring the preparation of an Environmental Impact Report (EIR). Although the recommended CEQA impact threshold of 15 percent below the citywide average would be more permissive, it would still require all proposed new employment projects to complete a detailed analysis of VMT and implement trip reduction measures, as there are no locations where the existing baseline employment VMT is already below the CEQA impact threshold. Because more development projects would be able to mitigate their impact on VMT, fewer projects would be required to complete an EIR.

For regional retail projects, OPR's technical advisory recommends utilizing the travel demand forecast model to analyze total VMT. Typically, this involves adding the proposed new retail

employment in the appropriate Traffic Analysis Zone (TAZ) where the proposed project is located and subtracting an equivalent amount of retail jobs from other TAZs in order to retain consistency with the regional land use assumptions. However, the model is not well suited to measure changes in VMT due to shifts in the location of retail uses because random fluctuations that occur during the trip assignment process may obscure the project's actual effect on VMT. Furthermore, the vast majority of retail trips are made by customers, which are influenced less by TDM measures. Thus, it is unlikely that TDM measures could effectively mitigate a significant impact finding based on an analysis of a retail project's effect on total VMT. It is notable that many other jurisdictions that have adopted VMT policies have chosen to evaluate retail projects based on VMT per employee (San Francisco and Oakland) or VMT per capita (Pasadena). Thus, Hexagon recommends that proposed regional retail projects be evaluated based on VMT per employee. Furthermore, the VMT analysis for retail uses should be based on employee trips only and exclude customer trips. Hexagon recommends the City of Los Altos adopt a significance threshold of 15 percent below the existing citywide average VMT per employee for regional retail projects, should any be proposed in Los Altos.

**FAQ #12: Please run through an example of how this would work for a recently approved project.** Table 3 shows several examples of recent development projects in Los Altos. Note that many projects would be screened out (exempted from further CEQA VMT analysis) based on their location in a low VMT area or because they are considered small infill projects presumed to have a less than significant impact on VMT. The residential project at 444-450 First Street and the office project at 467 First Street would require a CEQA VMT analysis using the VTA VMT Evaluation Tool. VMT Evaluation Tool Reports for these two projects are attached. The Reports show the inputs to the tool (e.g. Assessor's Parcel #, land use, and parking) and a set of mitigation measures that would satisfactorily reduce the project VMT to below the recommended CEQA impact threshold.

For the residential project at 444-450 First Street, the existing baseline VMT for residential use on this site is 12.00 miles per capita, which is just below the citywide average residential VMT (12.22 miles per capita). The project could reduce the VMT below the recommended CEQA impact threshold of 10.39 miles per capita ( $12.22 \times 0.85$ ) by implementing the following TDM measures: carshare program, VTA Smart Pass (100 percent transit subsidy), unbundled parking (\$200/month), and a voluntary travel behavior change program. Note that this is only one possible set of TDM measures that would fully mitigate the impact. For comparison, if the project contained 50 percent affordable housing (very low income), implementation of unbundled parking alone (\$100/month) would mitigate the VMT impact. For the office project at 467 First Street, the existing baseline VMT for office use on this site is 18.77 miles per worker, which is just below the citywide average employment VMT (19.07 miles per capita). The project could reduce the office VMT below the recommended CEQA impact threshold of 16.21 miles per capita ( $19.07 \times 0.85$ ) by implementing the following TDM measures: bicycle parking and showers, 100 percent transit subsidy, a car share program, a ridesharing program (5 percent participation), limited on-site parking supply (reduce from 57 to 51 spaces) and a commute trip reduction marketing and education program.



**Table 3**  
**Example Project Analysis**

Project	Project Type and Size (du or SF)	Estimated Daily VMT	Outcomes
5150 El Camino Real	Residential - 196 mf du	Map color: green; Less than 15% below existing average VMT per capita	Project is screened out because it is located in a low VMT area that is below the CEQA impact threshold. Therefore, the project has a less than significant transportation impact.
999 Fremont Avenue	Mixed Use - 3 mf du + 1,498 s.f. retail	Map color: orange; greater than average VMT per capita, mitigatable.	Residential analysis: Project is screened out because its size (small infill project). Retail analysis: Project is screened out as a local serving retail use. Therefore, the project has a less than significant transportation impact.
4898 El Camino Real	Residential - 21-28 mf du	Map color: green; Less than 15% below existing average VMT per capita	Project is screened out because it is located in a low VMT area that is below the CEQA impact threshold. Therefore, the project has a less than significant transportation impact.
4350 El Camino Real	Residential - 47 mf units	Map color: green; Less than 15% below existing average VMT per capita	Project is screened out because it is located in a low VMT area that is below the CEQA impact threshold. Therefore, the project has a less than significant transportation impact.
444-450 First Street	Residential - 26 mf du	Map color: yellow; between 15% below average and average	Residential analysis: project exceeds the residential infill screening threshold and does not have any other applicable screens. CEQA VMT analysis required. Mitigation measures required to mitigate impact may include incorporating affordable housing, bicycle parking, car share program, transit subsidies, unbundled parking, and voluntary travel behavior change program.
425 First Street	Residential - 20 mf du	Map color: yellow; between 15% below average and average	Project is screened out because its size (small infill project). Therefore, the project has a less than significant transportation impact.
467 First Street	Office - 17,103 SF office	Map color: yellow; between 15% below average and average	Office analysis: project exceeds the infill screening threshold and does not have any other applicable screens. CEQA VMT analysis required. Mitigation measures required to mitigate impact may include bicycle parking, car share program, transit subsidies, limited parking supply, ride share program, and commute trip reduction marketing/education program.

**FAQ #13: Are we going to be penalized for requiring parking, or put another way, how do parking ratios impact VMT analysis.** The parking ratio is not an input to the calculation of VMT using the VTA VMT Tool. However, the Tool will calculate a reduction in VMT for employment land uses that decrease the on-site parking supply below the standard parking minimums where allowable in the City Municipal Code. In addition, the Tool calculates the effect of on-site parking costs for residential land uses with unbundled parking. The Tool will not show an increase in VMT for excess parking above the minimum required parking ratio.

### Screening Criteria and Analysis Methodology for Other Land Use Projects

The following identifies screening criteria and thresholds of significance to be used to determine if other types of land uses occasionally reviewed by the Los Altos Community Development Department would result in significant impacts as it relates to VMT:

- Private schools (all grades), junior high and high schools (public and private), congregate care facilities/ assisted living, medical/dental office, research and development space,

industrial, manufacturing, and warehouse uses should be treated as office for screening and analysis.

- Childcare, religious institutions, business hotels, and athletic clubs should be treated as retail for screening and analysis.

### **Mixed-Use Developments and Land Use Plans**

OPR's technical advisory suggests that each component of a mixed-use project be analyzed for VMT independently. Alternatively, the advisory suggests that the dominant use of a project may be analyzed. Hexagon recommends the City evaluate each component of a mixed-use development separately, while allowing trip reductions based on the mixed-use nature of these developments. Trip reductions for internalization could reduce the project generated VMT below the adopted CEQA impact threshold. Similarly, it is recommended that General Plan Amendments, Specific Plans, and other Area Plans be evaluated by analyzing each land use component independently and applying the significance thresholds listed above for each land use.

### **Screening Criteria and Analysis Methodology for Transportation Projects**

Consistent with OPR guidance, transportation projects that would not likely lead to a substantial or measurable increase in vehicle travel can be screened out from further VMT analysis. Examples include transportation projects that enhance pedestrian, bike, or transit infrastructure, and transportation projects that maintain current infrastructure, without adding new automobile capacity. It is recommended that the City's VMT Policy set forth transportation project screening criteria.

Transportation projects that are not screened out would be analyzed based on the change in total VMT estimated using the VTA Travel Demand Model. A net increase in total VMT greater than that consistent with the Regional Sustainable Communities Strategy shall be presumed to cause a significant transportation impact.

### **Mitigation**

While LOS impacts were generally mitigated by increasing roadway capacity such as street widenings or adding lanes, mitigating a VMT impact requires actions that reduce the number or the length of vehicle trips generated by a project, such as modifying the project's characteristics or location so that it generates fewer vehicle trips or trips of shorter distance. Options for reducing VMT may include locating the project closer to public transit facilities, changing from a single-use to a mixed-use development, implementing amenities to support bicycling and walking, and other possibilities such as contributing to a local transit service and/or providing transit passes. Mitigation of a significant VMT impact generally requires a shift in mode choice away from single occupant vehicles. Currently, this is typically accomplished through the preparation of a TDM Plan with a trip reduction commitment as part of the project's conditions of approval. Since TDM measures would be required for most projects that complete a CEQA VMT analysis, it is recommended that the City of Los Altos update the TDM Policy to provide guidance to developers and clearly define TDM program requirements.

Consistent with OPR's technical advisory, in lieu fees also may be proposed as mitigation where there is both a commitment to pay fees and evidence that mitigation will actually occur. As an example, a project could provide in lieu fees toward a school bus program or citywide shuttle that would reduce VMT associated with existing schools or other existing uses to mitigate a significant project impact on VMT. Multimodal transportation network improvements (e.g. a new trail

connection) may also be proposed as mitigation if it can be shown to reduce existing VMT by an amount equal to the project's VMT reduction goal.

## Level of Service Policy

VMT does not describe the functionality of local roads and does not identify potential issues related to site access and circulation, intersection safety and queuing, bicycle/pedestrian/public transit accessibility, and neighborhood impacts or spillovers. Thus, it is recommended that the City of Los Altos retain the existing level of service policy in the General Plan and continue to require development projects to conduct non-CEQA transportation analyses to manage a project's adverse effects on local roadways by imposing conditions related to design changes and operational improvements during the project review and permitting phases. This will ensure that the City's transportation network meets residents' circulation needs.

## Conclusions and Next Steps

Hexagon recommends the City of Los Altos adopt a VMT policy for land use development projects according to the following broad framework:

1. Screening criteria for presumption of a less-than-significant VMT impact
  - a. Low VMT areas
  - b. Small infill projects
  - c. Local-serving retail projects
  - d. Local-serving public facilities
  - e. Affordable Housing
  - f. Transportation Projects that do not add automobile capacity
2. Methodology for analyzing project generated VMT
  - a. Use the VTA VMT Evaluation Tool or VTA Travel Demand Forecast Model to estimate home-based VMT per capita for residential land use and home-based work trip VMT per employee for office and regional retail land uses
  - b. Other land uses such as private schools, hotels, childcare and others will be evaluated using the screening criteria and thresholds of significance for either office or retail uses as appropriate
  - c. Land Use Plans and mixed-use developments will be evaluated for each land use component separately based on the screening criteria and thresholds of significance for each individual use
  - d. Evaluate transportation projects based on the change in total VMT estimated using the VTA Travel Demand Model
3. VMT significance thresholds
  - a. Threshold for residential projects should be 15 percent below citywide average VMT per capita
    - i. Current Level: 12.22 VMT per capita (Citywide average)
    - ii. Threshold: 10.39 VMT per capita
  - b. Threshold for office and regional retail projects should be 15 percent below citywide average VMT per employee
    - i. Current Level: 19.07 VMT per employee (Citywide average)
    - ii. Threshold: 16.21 VMT per capita
  - c. Threshold for transportation projects shall be based on VMT targets set forth in the Regional Sustainable Communities Strategy
4. VMT mitigation measures
  - a. Reduce single-occupant vehicle trips (TDM Plan)

- b. Multimodal transportation network improvements to reduce existing VMT
- c. In-lieu fees to implement citywide or areawide VMT reduction measures

**FAQ #14: What are other cities (e.g. Mountain View) doing?** Table 4 presents a comparison of the VMT Policy Framework for other cities in California.

A study session with the Los Altos Complete Streets Commission was held on May 11, 2020 to introduce the recommended VMT Policy framework. Similar study sessions were held with the City Council on May 12, 2020 and the Planning Commission on May 21, 2020. Based on feedback from these meetings, Hexagon has been working with staff to provide additional information to answer questions raised at the study sessions. A draft VMT Policy has been developed based on feedback from the public meetings on this subject. Per the new CEQA guidelines, the criteria for analyzing transportation impacts based on VMT go into effect statewide on July 1, 2020.

**FAQ #15: What happens because we did not adopt a VMT policy before the July 1<sup>st</sup> deadline?** The City will not be subject to any penalties or other consequences enforced by the State for failure to meet the July 1<sup>st</sup> deadline. However, CEQA documents may no longer consider LOS as a measure of transportation impacts. The City of Los Altos could follow one of the following courses of action:

1. Adopt an interim VMT Policy based on OPR guidelines while gathering additional information to allow the City to tailor the policy to local conditions and goals.
2. Process any environmental documents for proposed development projects based on VMT analysis methodology and significance criteria developed by staff on a case-by-case basis.
3. Hold off on processing any environmental documents until the City adopts its VMT Policy.

**Table 4**  
**VTM Policy Framework used by other Cities**

	Los Altos (recommended)	Mountain View	San Francisco	San Jose	Oakland	Pasadena
<b>Residential</b>						
<b>Methodology</b>	VTM per resident	VTM per resident	VTM per resident	VTM per resident	VTM per resident	VTM per capita
<b>VTM Threshold</b>	15% below citywide average	15% below 9-County regional avg	15% below regional average	15% below citywide average	15% below regional average	22.6 VTM/capita
<b>Screening</b>	Size, map-based (low VTM), 100% affordable	Size, map-based (low VTM), transit proximity, 100% affordable	Size, map-based (low VTM), transit proximity	Size, map-based (if both low VTM & near transit or if both affordable and near transit)	Size, map-based (low VTM), transit proximity	Size
<b>Office</b>						
<b>Methodology</b>	VTM per employee	VTM per employee	VTM per employee	VTM per employee	VTM per employee	VTM per capita
<b>VTM Threshold</b>	15% below city average	15% below 9-County regional avg	15% below regional average	15% below regional average	15% below regional average	22.6 VTM/capita
<b>Screening</b>	Size (no low VTM areas thus not map-based)	Size, transit proximity (no low VTM areas thus not map-based)	Size, map-based (low VTM), transit proximity	Size, map-based (if both low VTM & near transit)	Size, map-based (low VT), transit proximity	Size
<b>Retail</b>						
<b>Methodology</b>	VTM per employee	Total VTM	VTM per employee	Total VTM	VTM per employee	VTM per capita
<b>VTM Threshold</b>	15% below city average	Net increase	15% below regional average	Net increase	15% below regional average	22.6 VTM/capita
<b>Screening</b>	local-serving (60 ksf)	local-serving (50 ksf)	Size, map-based	local-serving (100 ksf)	Map-based (low VTM), transit proximity, local-serving (determined on a case by case basis)	Size (10 ksf)
<b>Other Land Uses</b>						
<b>Categories</b>	Fitness club/hotel/school/etc.	-	Schools/student housing/hotels/etc.	Retail/hotel/school/etc.	Hotel/Institutions/Public services/etc.	None specified
<b>Methodology</b>	Treat as office/residential/retail	Treat as office/residential/retail	Treat as office/residential/retail	Varies	Treat as office/residential/retail	VTM per capita
<b>VTM Threshold</b>	Treat as office/residential/retail	Treat as office/residential/retail	Treat as office/residential/retail	Varies	Treat as office/residential/retail	22.6 VTM/capita
<b>Screening</b>	Size, map-based, local serving public facilities	-	Local-serving public facilities	Local-serving public facilities	Size, map-based, local-serving public facilities	Size